

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 09-50026

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In the Matter of:

MOTORS LIQUIDATION COMPANY, ET AL.,

f/k/a General Motors Corp, et al.

Debtors.

- - - - -x

United States Bankruptcy Court

One Bowling Green

New York, New York

December 1, 2009

9:41 AM

B E F O R E:

HON. ROBERT E. GERBER

U.S. BANKRUPTCY JUDGE

HEARING re Realm/Encore Debtors' Motion for Order Pursuant to
Section 502(b)(9) of the Bankruptcy Code and Bankruptcy Rule
3003(c)(3), Establishing the Deadline for Filing Proofs of
Claims (Including Claims Under Section 503(b)(9) of the
Bankruptcy Code) and Procedures Relating Thereto and Approving
the Form and Manner of Notice Thereof.

Transcribed by: Penina Wolicki

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A P P E A R A N C E S :

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U.S. DEPARTMENT OF JUSTICE

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BY: DAVID S. JONES, AUSA

1 P R O C E E D I N G S

2 THE COURT: I'm going to take GM now. Then we'll have
3 a very short recess, and then I'll take the Lyondell matters.

4 Mr. Karotkin, good morning.

5 MR. KAROTKIN: Good morning, Your Honor. Stephen
6 Karotkin, Weil, Gotshal & Manges for Motors Liquidation Company
7 and its affiliated debtors. Your Honor, the only matter on the
8 calendar today is a motion to set a bar date for the Realm and
9 Encore debtors.

10 As Your Honor may recall, at the first day hearing on
11 this matter, some issues were raised by the Court with respect
12 to the scope of the bar date, notice of the bar date. And what
13 we have done, I believe, in the motion, is to address the
14 concerns that you raised with respect to the motion;
15 particularly with respect to giving notice to people adjacent
16 to the properties owned by the Realm and Encore debtors.

17 THE COURT: Right.

18 MR. KAROTKIN: And we've provided for, in the proposed
19 order, that notice be given to known residents within a half a
20 mile radius of each of the properties that are listed on the
21 exhibit to the motion, as well as publication in local
22 newspapers in areas in which those properties are located. In
23 addition, we have provided, of course, general notice, with
24 respect to the bar date, a more formal-type notice that would
25 be typical in any type of case, that would be given to all

1 creditors scheduled, as well as known creditors, parties to
2 litigation, typical for a normal bar date.

3 So there are two different forms of notice. One is a
4 more convent -- what I would call a more conventional-style
5 notice, and the second one is --

6 THE COURT: Was fined tuned to the needs and concerns
7 of people who might be raising environmental claims because
8 they lived in the vicinity?

9 MR. KAROTKIN: Exactly, sir. And I believe -- the
10 other issue you raised, Your Honor, was if one of these
11 entities were to file a claim against Realm instead of Encore,
12 or vice versa, or against MLC or General Motors, as opposed to
13 either of these particular entities, that on that basis alone,
14 their claim would not be subject to disallowance. And we have
15 specifically addressed that in the proposed order as well.

16 So I think -- and again, the committee, we've shared
17 all of this with the committee in advance of the hearing. I
18 believe that -- the committee is here, obviously. I believe
19 that they are comfortable with the proposed order and the form
20 of notice that we have provided for.

21 Now, the only thing I will raise, Your Honor, in terms
22 of the date. I believe you indicated you would like sixty-days
23 notice. And I think what we propose in the order is February
24 1st. Since it will take a week or ten days to actually mail,
25 perhaps you would feel more comfortable if we extended it out a

1 week or so to make it formally sixty days.

2 THE COURT: I'm going to let you be the judge of that,
3 Mr. Karotkin. I want to give the creditors' committee a chance
4 to be heard if it wants. But it sounds to me, subject to the
5 committee's right to be heard, that you responded to exactly
6 what was troubling me, which was that when you had people
7 surrounding the plant or plants, who might have environmental
8 issues, that you fine tune the notice to give them the
9 opportunity to know what they need to do. And I'm not going to
10 quibble with a few days as long as you act reasonably in
11 getting out your notice.

12 Does the creditors' committee want to be heard in any
13 way?

14 MR. PLOTKO: Your Honor, Gregory Plotko with the law
15 firm of Kramer Levin Naftalis & Frankel, representing the
16 committee. We reviewed the notice with the statements you made
17 in mind at the last hearing. We think it conforms exactly with
18 what you provided. And we're comfortable with the time frames
19 that debtors' counsel has set forth.

20 THE COURT: Okay. Good enough. Then, Mr. Karotkin,
21 I'd ask you or your designee to just work with my chambers to
22 see that we have the appropriate paperwork and floppy, and
23 we'll enter that order later today.

24 MR. KAROTKIN: All right. If I could just raise one
25 other issue, Your Honor?

1 THE COURT: Yes, sure.

2 MR. KAROTKIN: When you raised this issue with respect
3 to these properties, these are not the only properties and
4 manufacturing facilities owned by the General Motors debtors.
5 MLC happens to own manufacturing properties as well. So
6 this -- the original bar date order that was entered does not
7 provide for similar-type notice with respect to properties
8 owned by MLC. So what we are proposing to do, and again we are
9 working with the creditors' committee and have provided them
10 with a proposed motion and form of order, is to do a
11 supplemental bar date with respect to MLC, solely with respect
12 to the manufacturing facilities owned by MLC, which would
13 provide for a similar type notice, just the property-type --
14 what I call the property-type notice, for properties owned
15 by -- manufacturing properties owned by MLC.

16 The other three debtors, I don't believe own
17 manufacturing facilities. To the extent that they do, they
18 would obviously be included. But for example, the dealership
19 up in Harlem, we would not propose to give notice to residents
20 within a half a mile of that facility --

21 THE COURT: I understand.

22 MR. KAROTKIN: -- because we don't think it raises the
23 same type of issues.

24 THE COURT: I must confess that that hadn't occurred
25 to me, but obviously I endorse that, certainly. Thank you.

1 MR. KAROTKIN: Okay. So what we would propose to do,
2 again, subject to whatever views Your Honor has, in order to
3 save time and hopefully to keep this case moving on track, what
4 we would propose to do, if we could submit that proposed order
5 on consent with the creditors' committee, Mr. Jones from the
6 government, as well as the United States Trustee's Office,
7 rather than having a hearing. I believe that's appropriate
8 under the rules, with respect to bar dates. And as long as
9 Your Honor doesn't have an issue with that, we would ask if we
10 would be able to do that?

11 THE COURT: The answer is sure. And if you act
12 diligently, you want to just set up that same date for the bar
13 date that you have for the --

14 MR. KAROTKIN: Yes, I would --

15 THE COURT: -- new debtors?

16 MR. KAROTKIN: -- that would be great. I would love
17 to do that.

18 THE COURT: Yes.

19 MR. KAROTKIN: Thank you, sir.

20 THE COURT: Yes, okay. Good. All right. That takes
21 care of GM, right?

22 MR. KAROTKIN: Yes, sir.

23 THE COURT: All right. Five minute recess, that's
24 all, to allow people on Lyondell to get up here.

25 (Proceedings concluded at 9:47 a.m.)

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I N D E X

RULINGS

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Realm/Encore Debtors'	6	23
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Motion for Order

Establishing the

Deadline for Filing

Proofs of Claims will be

Entered

C E R T I F I C A T I O N

I, Penina Wolicki, certify that the foregoing transcript is a
true and accurate record of the proceedings.

Penina Wolicki

Veritext

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Date: December 2, 2009